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# ATTACHMENT B

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SENATOR.MIGDEN@SEN.CA.GOV

# California State Senate

SENATOR  
**CAROLE MIGDEN**  
THIRD SENATE DISTRICT  
DEMOCRATIC CAUCUS CHAIR  
LABOR & INDUSTRIAL RELATIONS CHAIR



COMMITTEES  
ELECTIONS, REAPPORTIONMENT  
& CONSTITUTIONAL AMENDMENTS

NATURAL RESOURCES & WATER

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SELECT COMMITTEE ON  
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CALIFORNIA'S HORSE RACING

SELECT COMMITTEE ON  
CALIFORNIA'S WINE INDUSTRY

SELECT COMMITTEE ON  
FOOD BORNE ILLNESS

Commissioner John Bohn  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: Application No. A.07-01-37 – California-American Water Company – Larkfield District

Dear Commissioner Bohn,

We are writing in opposition to California-American Water Company's application to consolidate its Larkfield District with its Sacramento District for ratemaking purposes. We believe you should allow more time to hear from community organizers seeking to provide water services in the area through a community services district.

As you may know, residents in the Larkfield area are interested in bringing a range of services – including the delivery of water – under local control. We are concerned that their efforts to create a local district may be hampered if California-American Water Company (Cal-Am) is able to link its local operation to its Sacramento district. Linking Larkfield to Sacramento could make it more difficult for a newly created community services district to negotiate for the local water infrastructure if that infrastructure were suddenly part of a larger system.

Moreover, it appears that the proposal advanced in the CalAm application is contrary to the September 2005 CPUC ruling against consolidation of these two districts. The two districts are not in close proximity and there does not appear to be any opportunity for overall savings through the sharing of resources.

As noted in the recently released Ratepayer Advocate's report, having the Sacramento district subsidize the Larkfield district is counter to guidelines published in 1992 and would not appear to be good public policy. Please reconsider the decision to include consolidation in the general rate case. Consolidation would not be in the interest of residents in either service area.

Sincerely,

Handwritten signature of Carole Migden in black ink.

CAROLE MIGDEN  
Senator, 3<sup>rd</sup> District

Handwritten signature of Patricia Wiggins in black ink.

PATRICIA WIGGINS  
Senator, 2<sup>nd</sup> District

Handwritten signature of Patty Berg in black ink.

PATTY BERG  
Assemblymember, 1<sup>st</sup> District